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The President's Daily Brief

8 December 1971

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THE PRESIDENT'S DAILY BRIEF

8 December 1971

PRINCIPAL DEVELOPMENTS

The India-Pakistan situation is discussed on *Page 1*.

Large numbers of Communist troops are reported around Cambodia's capital *(Page 3)*, and the opposition to Prime Minister Lon Nol's conduct of the war now includes high-ranking military figures. *(Page 4)*

Libya is withdrawing its financial assets from the UK. *(Page 5)*

Peru is moving to have the Organization of American States review its policy toward Cuba. *(Page 6)*

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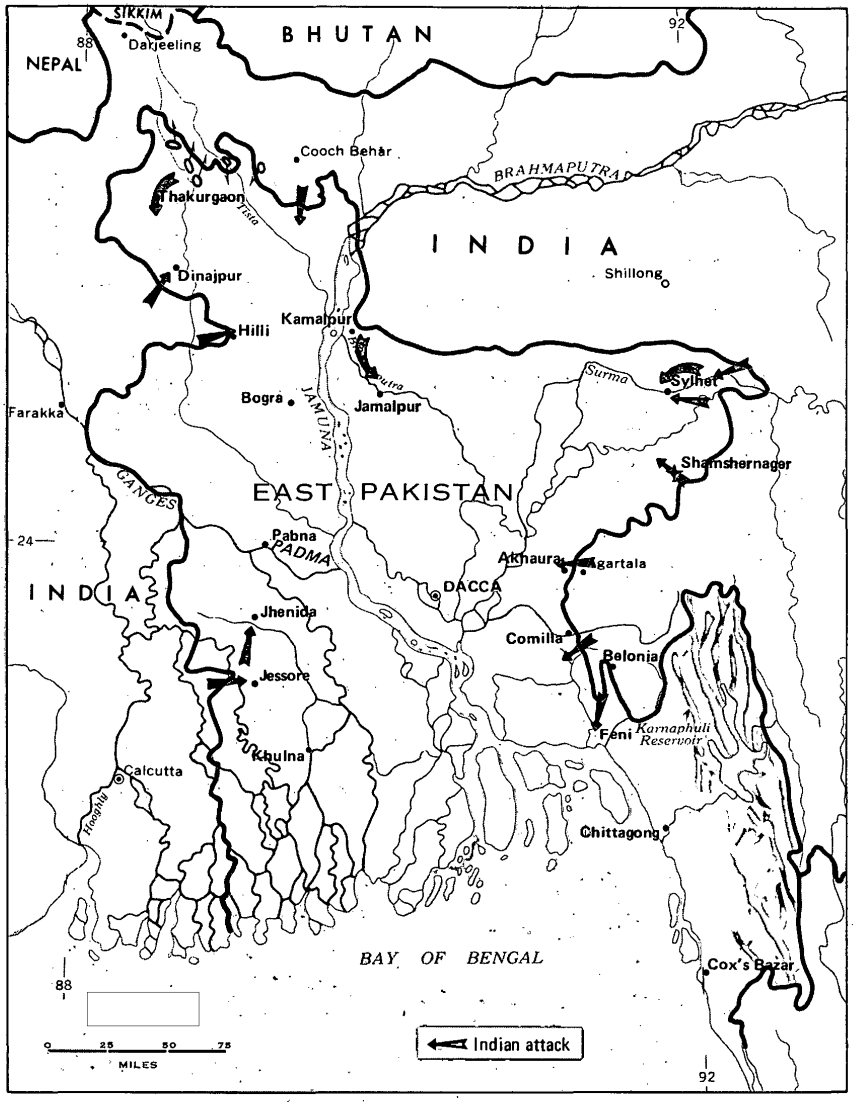

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INDIA-PAKISTAN

Indian forces in East Pakistan continued to gain ground yesterday. They captured the airfield and military base at Jessore, although the town itself was still being contested. The Indians also claimed to have taken Sylhet town in the northeast and to be moving on Jamalpur in the north. Pakistani forces apparently are still holding out in Hilli and Comilla.

With the Mukti Bahini holding sway over much of the countryside, particularly in the northwest and to the south of Dacca, the Indians and guerrillas appear to control about half the province. According to Indian radio reports, as areas are "liberated" they are being turned over to the Mukti Bahini for administration. There is no good evidence yet, however, that Pakistani forces in East Pakistan are falling into disarray or abandoning military discipline. In fact, the Indians have apparently suffered fairly heavy casualties in some encounters.

In the West, Indian officials have indicated some concern over the Pakistani offensive in Indian Kashmir and have admitted the loss of the town of Chhamb near the border. The Pakistanis' other drive into Kashmir has yet to take Poonch, however, and their offensive toward Amritsar in India's Punjab State may have been halted. Indian forces in turn have penetrated a few miles into West Pakistan near Sialkot and both sides continue to make air strikes on the western front, but neither has yet gained the upper hand.

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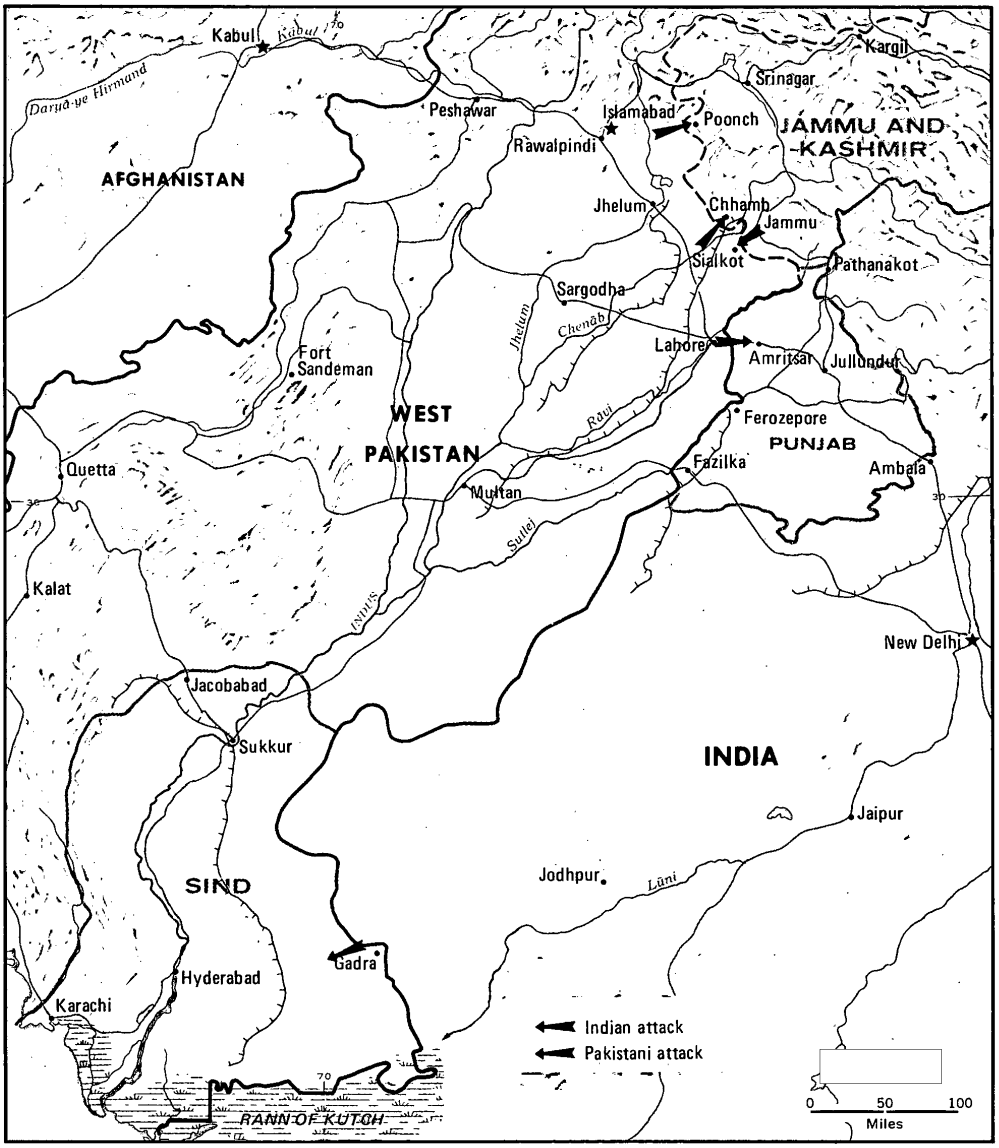

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Moscow has not followed New Delhi's lead thus far in recognizing Bangla Desh and probably will hold off doing so in order to avoid a rupture in diplomatic relations with Islamabad. Peking has denounced India's recognition of Bangla Desh and has again criticized Moscow for its role in the crisis, alleging that the Soviets encouraged the Indians to invade East Pakistan and create a Bengali state.

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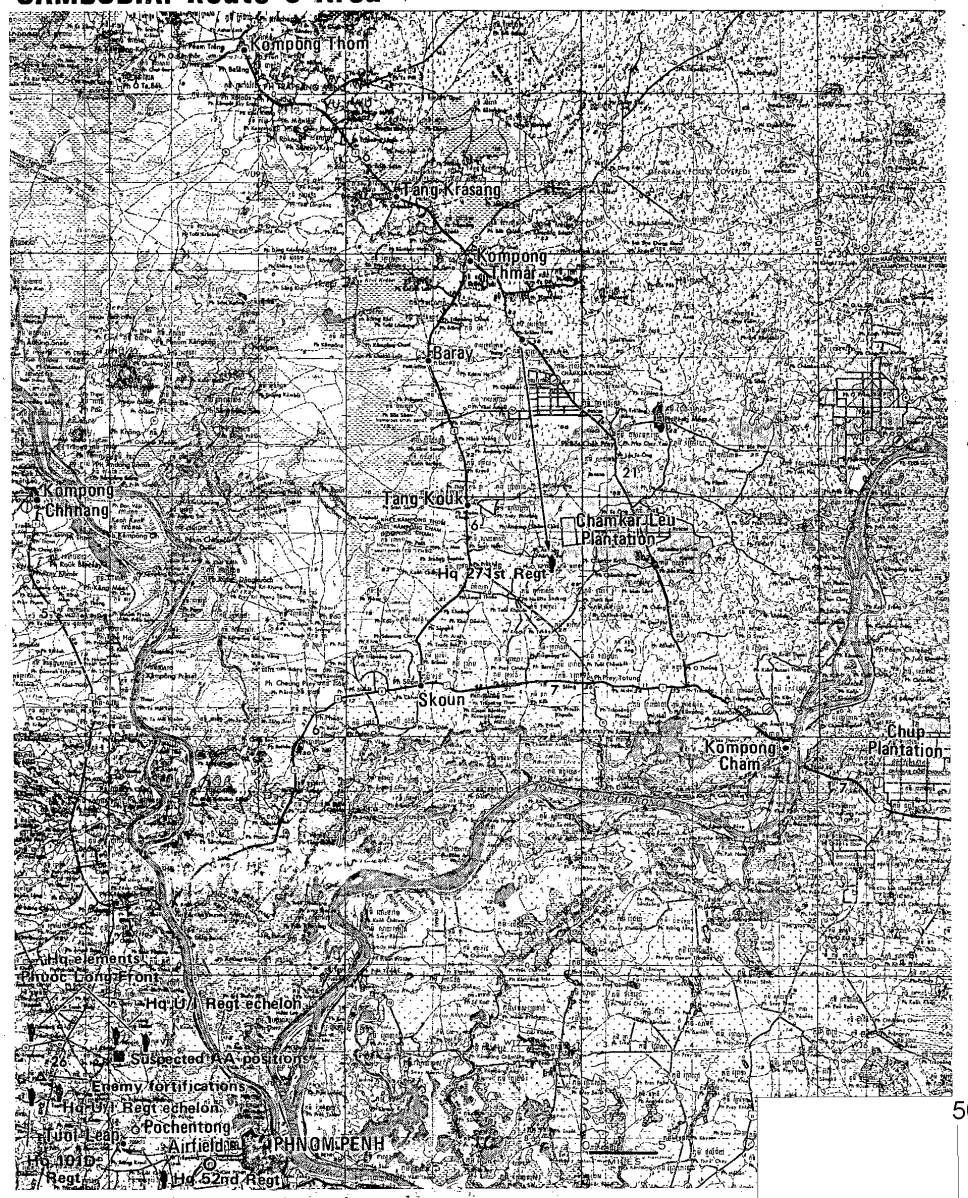
CAMBODIA: Route 6 Area



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CAMBODIA

Cambodian commanders report that large numbers of Communist troops are in the Phnom Penh area, and intercepts confirm the presence of additional enemy troops there. A regimental-level radio station has been located near the crossroads town which the Communists overran on Monday. This unit, as well as another new regimental-level unit further to the west, are subordinate to the Communists' Phuoc Long Front.

> *The Phuoc Long Front, which now appears to have at least four regiments, these two and the 101D and 52nd regiments, moved into the Phnom Penh area early last month.*

US aerial observers continue to note extensive Communist fortification efforts west of Phnom Penh. Fresh enemy trenching and bunker construction has been observed along Route 26 near the headquarters of the 101D Regiment, and what appear to be several 12.7-mm. antiaircraft positions have been located in the same area.

The government may have as many as 20 battalions engaged in defensive operations near Phnom Penh, as well as other troops in the capital itself. Its efforts to counter the Communists' presence continue to be ineffectual, however. Phnom Penh was shelled yesterday, when several mortar or rocket rounds fell on the city. Pochentong airfield was also hit but remains open to both military and civil air traffic.

In the Route 6 area, the Vietnamese Communist 271st Regiment, which was involved in fighting around Kompong Thmar last week, has moved south near the Chamkar Leu Plantation.

> *This move and Communist reconnaissance activity south of Tang Kouk could be the precursor of renewed pressure against government troops on Route 6. The Communist force now poses a threat to the remnants of the Chenla II forces between Tang Kouk and Skoun, as well as to government positions along Route 7.*

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This is the first time that army leaders have confronted Lon Nol directly on the question of his "interference" in the war effort. If Lon Nol continues to be intransigent, he could cause some of the military leaders who have been his staunchest supporters to close ranks with Sirik Matak. It is becoming increasingly clear that Sirik Matak is seeking such support and is determined to force Lon Nol to delegate more authority.

With the scent of change in the air, politically ambitious figures are trying to take advantage of the situation, and there are a number of political alignments that could emerge. [redacted] 50X1 50X1 *while Sirik Matak maneuvers against Lon Nol, an effort is also under way by Lon Nol's supporters to undermine Sirik Matak. Other reports indicate that Constituent Assembly President In Tam and another prominent civilian leader, Son Ngoc Thanh, are again being thought of as potential successors to Lon Nol or Sirik Matak.*

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LIBYA-UK

The Libyan Government has announced its decision to withdraw its financial assets in the UK in retaliation for British complicity in the Iranian occupation of three islands in the Persian Gulf. The subsequent nationalization of British Petroleum in Libya is doubtless a further expression of Libyan pique.

Libya's action, however, will not have any immediate impact on the UK. Libyan assets there are probably no more than $400 to $500 million and British foreign exchange reserves are adequate to cover this. In fact, the UK added some $400 million to its reserves in November alone.

Over the longer term such irrational acts could have a damaging impact. By the mid-1970s the Arab oil-producing states are expected to have accumulated financial reserves of some $25 billion, one fourth of which will be held by Libya.

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PERU-CUBA

Peru intends to request that the general committee of the OAS Permanent Council meet Monday to reexamine the economic and diplomatic sanctions imposed on Cuba, according to Peru's ambassador to the OAS, Luis Alvarado. The general committee would then be asked to meet four days later to take up a resolution allowing OAS members to lift sanctions if they so desire. Alvarado assumes that the Council itself would not consider the question before January, when it will be Chile's turn to chair the Council.

Whatever the outcome, we expect Peru to resume diplomatic relations with Cuba after the OAS deals with the matter. Other countries, such as Ecuador, might well then follow Lima's lead.

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